REMARKS

In the November 6, 2007 Office Action, the specification was objected to and all of the claims 1-5 stand rejected in view of prior art. No other objections or rejections were made in the Office Action.

Status of Claims and Amendments

In response to the November 6, 2007 Office Action, Applicant has amended the specification and claims 1 and 3 as indicated above. Thus, claims 1-5 are pending, with claim 1 being the only independent claim. Reexamination and reconsideration of the pending claims are respectfully requested in view of above amendments and the following comments.

Specification

In paragraph 2 of the Office Action, the title was objected to for not being descriptive. In response, Applicant has amended title to be more descriptive.

In paragraph 3 of the Office Action, the specification was objected to for a typographical error in Paragraph [0057]. In response, Applicant has amended paragraph [0057] as suggested in the Office Action.

Applicant believes that the title and specification are now correct and comply with 37 CFR §1.71 and 37 CFR §1.75(d)(1). Accordingly, withdrawal of these objections is respectfully requested.

Rejections - 35 U.S.C. § 102

In paragraph 4 of the Office Action, claims 1-5 stand rejected under 35 U.S.C. §102(b) as being anticipated by U.S. Patent No. 141,226 (Jenkins). In response, Applicant has amended independent claim 1 to more clearly define the present invention over the prior art of record.

In particular, independent claim 1 now requires, *inter alia*, the cylinder and the piston being relatively <u>movable</u> by rotation of a driving shaft, wherein

one of the inner and outer working chambers being a compression chamber which compresses and discharges fluid with a progression of a relative <u>movement between</u> the cylinder and the piston, <u>the compression chamber being in fluid communication with a</u>

suction pipe arranged to supply the compression chamber with fluid and a discharge pipe arranged to receive compressed fluid from the compression chamber, and

the other of the inner and outer working chambers being an expansion chamber which expands and discharges fluid with a progression of a relative <u>movement between</u> the cylinder and the piston <u>with expansion work of the expansion chamber being recovered to assist in driving the driving shaft, the expansion chamber being in fluid communication with an inlet pipe arranged to supply the expansion chamber with fluid and an outlet pipe arranged to <u>discharge expanded fluid from the expansion chamber</u> Clearly, this structure is *not* disclosed or suggested by Jenkins or any other prior art of record.</u>

Specifically, in Jenkins, the steam engine is supplied with steam to drive the engine. The steam is compressed as energy is lost. The compressed steam is not expanded, and thus, Jenkins cannot disclose recovery of expansion work, as now claimed. In other words, Jenkins merely discloses discharging compressed steam, and only has one suction passage and one discharge passage. It is well settled under U.S. patent law that for a reference to anticipate a claim, the reference must disclose each and every element of the claim within the reference. Therefore, Applicant respectfully submits that claim 1, as now amended, is not anticipated by the prior art of record. Accordingly, withdrawal of this rejection of independent claim 1 is respectfully requested.

Moreover, Applicant believes that dependent claims 2-5 are also allowable over the prior art of record in that they depend from independent claim 1, and therefore are allowable for the reasons stated above. Also, dependent claims 2-5 are further allowable because they include additional limitations, which in combination with the features of independent claim 1 even more clearly define the present invention over the prior art of record. In other words, Applicant believes that since the prior art of record does not anticipate independent claim 1, the prior art cannot anticipate the dependent claims.

Prior Art Citation

In the Office Action, additional prior art references were made of record. Applicant believes that these references do not render the claimed invention obvious.

Appl. No. 10/572,923 Amendment dated April 7, 2008 Reply to Office Action of November 6, 2007

In view of the foregoing amendment and comments, Applicant respectfully asserts that claims 1-5 are now in condition for allowance. Reexamination and reconsideration of the pending claims are respectfully requested. If there are any questions regarding this Amendment, please feel free to contact the undersigned.

Respectfully submitted,

/Patrick A. Hilsmier/ Patrick A. Hilsmier Reg. No. 46,034

GLOBAL IP COUNSELORS, LLP 1233 Twentieth Street, NW, Suite 700 Washington, DC 20036 (202)-293-0444 Dated: April 7, 2008

S:\04-APR08-YTY\DK-US065034 Amendment (Applicant singular).doc